ORIGINAL CHECK LIST.

~~get check~~.

ROSEWOOD STONE GROUP
1505 BRIDGEWAY, SUITE 201
SAUSALITO, CALIFORNIA 94965
(415) 331-4400 tel.
(415) 331-4481 fax

CHECK LISTS w/ RSG

TO: Kelly Teevan
FROM: Claudia Stroud
DATE: June 21, 1991

I won't be in on Monday,but will have Tracy or someone deliver this memo to you. We have prepared a closing checklist of what appears to be the sequence of events to transfer this stock.

My attorneys strongly suggest that we do this through escrow - so that an escrow agent will receive all the documents, cancelled notes, etc. and all the money and will distribute it all properly. I am rather hoping that Eliot Fabric would be willing to do this and that he has an escrow account we could use. Would you check with him? If not, we could use a title company I suppose.

Let's plan to talk on Tuesday to see how we're proceeding.

Closing Checklist for The Well

1. Point and RSG sign Stock Purchase Agreement
   a. Corporate resolutions (see attached)

2. Point and NETI sign Stock Purchase Agreement

   a. Corporate resolutions indicating authority to sign (It is considered advisable for you to get these resolutions from NETI)
   b. Schedule closing to take place July 1st
   c. NETI sends the stock certificate in to escrow and the cancelled promissory note.

3. Secretary's certificate from WELL indicating that shares are validly issued, etc. (see attached)

All these documents go into escrow agent.

4. RSG wire transfers $175,000 to escrow account by 6/28 (receipt needed). This money is delivered to Point after <u>at least</u> steps 1,2 and 3 are completed. Need verbal OK from Claudia before disbursing.

5. Point contributes $45,000 as capital to WELL

   a. WELL makes check payable to NETI for $45,000 (and gives to escrow agent)
   b. Escrow agent gives POINT the cancelled note.

6. NETI sells shares to Point

   a. WELL gives certified check payable to NETI to the escrow agent (amount $130,000)
   b. NETI gives its stock certificate to escrow agent (complete stock transfer form on back of certificate)

7. Point sells shares to RSG
   a. shares are already paid
   b. deliver the Secretary's certificate to RSG (#3 above)
   c. copy of cancelled note and receipts to RSG
   d. deliver share certificate to RSG with Assignment Separate from Certificate Form (attached)

(Mike us,) (213) 668-6366.

Has bd appvl.?

③ Secretary's Resolution.

① July 1 ok? 2500?

④ Need: share cert.

② Promissory note.

Ptnrshp refers to debt & a note in sales document.

MY LIST

Closing Checklist for The Well

1. 1. Point and RSG Stock Purchase Agreement

2 = 2. Corporate resolutions
   ✓a. Point
   ✓b. Rosewood

   2. ✓ Point and NETI - Stock Purchase Agreement ← do we show them this?

5 ✓ a. Corporate resolutions - NETI

   3. ✓ NETI stock certificate - signed over to Point o/c.

4 4. ✓ NETI cancelled promissory note. ok

3 5. ✓ Secretary's certificate from WELL indicating that shares are validly issued, etc. (see attached)

✓ 6. Rosewood has two cashier's checks made to NETI
   $127,500
   $ 47,500

to resolve

7. Share certificate for Rosewood
   a. . deliver NETI's share certificate to RSG with Assignment Separate from Certificate Form (attached)
   or
   b. new certificate for RSG